



Distillate Watch

July 14, 1999

Energy Information Administration
Office of Oil & Gas

SUPPLY

- Distillate production bounded up to 3.5 million barrels per day (MMBD) with both PADDs I and V refiners posting a 66,000 barrel per day week-over-week increase that significantly lifted their respective stock levels. The strong nationwide showing, and imports of nearly 0.3 MMBD, caused U.S. total distillate stocks to hit 137.1 million barrels (MMB) as of July 9, 1999. This week's 3.9 MMB stock increase brought total inventory to within 2.0 MMB of last year's very high 139.1 total at this time. PADD V stocks gained 1.0 MMB, 0.7 MMB of which was diesel fuel.
- This week, U.S. crude oil input was 15.3 MMBD with refiners utilizing 95.8 percent of their 16.1 MMBD operating capacity.

Distillate Production by Petroleum Administration for Defense District (Thousand Barrels per Day)

District	Total Distillate Week Ending					Low Sulfur (0.05% or less Sulfur) Week Ending				
	06/18/99	06/25/99	07/02/99	07/09/99	07/10/98	06/18/99	06/25/99	07/02/99	07/09/99	07/10/98
East Coast (PADD I)	423	528	407	473	463	219	197	154	255	177
Midwest (PADD II)	800	847	830	859	956	569	634	603	663	665
Gulf Coast (PADD III)	1,521	1,529	1,429	1,524	1,656	1,055	973	941	1,021	1,060
Rocky Mountain (PADD IV)	153	148	150	150	134	117	119	119	132	114
West Coast (PADD V)	398	415	436	502	432	351	321	359	407	327
U.S. Total	3,295	3,467	3,252	3,508	3,641	2,311	2,244	2,176	2,478	2,343

Distillate Stocks by Petroleum Administration for Defense District (Million Barrels)

District	Total Distillate Week Ending					Low Sulfur (0.05% or less Sulfur) Week Ending				
	06/18/99	06/25/99	07/02/99	07/09/99	07/09/98	06/18/99	06/25/99	07/02/99	07/09/99	07/09/98
East Coast (PADD I)	57.9	59.1	58.7	62.8	62.0	18.2	17.8	17.2	19.8	18.2
PADD IX	14.4	14.9	15.2	16.2	NA	2.0	1.9	2.0	2.5	NA
PADD IY	31.3	32.2	32.5	34.8	NA	8.7	8.8	8.7	10.0	NA
PADD IZ	12.2	12.0	11.0	11.9	NA	7.4	7.1	6.5	7.3	NA
Midwest (PADD II)	30.1	31.2	32.7	32.1	31.0	20.3	21.1	22.1	21.9	21.1
Gulf Coast (PADD III)	29.2	27.7	28.5	27.9	31.5	18.3	16.8	18.1	16.7	19.2
Rocky Mountain (PADD IV)	3.0	3.0	2.9	2.9	3.0	2.5	2.5	2.3	2.4	2.5
West Coast (PADD V)	10.2	9.8	10.4	11.4	11.7	7.7	7.4	8.1	8.8	8.4
U.S. Total	130.4	130.7	133.2	137.1	139.1	66.9	65.6	67.8	69.5	69.5

* See the *Weekly Petroleum Status Report* Appendix A for a description of the derivation of average inventory levels.

For information about distillate supply data, contact the National Energy Information Center at (202)586-8800. Internet: Infoctr@eia.doe.gov.

Source: Energy Information Administration, Weekly Petroleum Status Report (WPSR). Year-ago production data taken from comparable week last year; year-ago stock data interpolated from final Petroleum Supply Monthly data.

PRICES

- While lacking a strong direction, petroleum markets were generally higher, mostly on events in the gasoline sector. Expectations for a gasoline draw followed by a refinery outage in the Philadelphia area put prices on a growth trajectory for the week. Also this week, IEA issued findings that the current glut in petroleum supplies could end by autumn, given recent trends. The New York Harbor spot price for low sulfur diesel was up 1.55 cent to 53.30 cents per gallon on July 12, 1999. The tight product situation on the West Coast had less of an impact on the California-grade diesel than other regional products.
- The national average retail on-highway diesel fuel price went up over a penny again, reaching 111.4 cents per gallon on July 12, 1999, 8.3 cents per gallon higher than last year. All regions reported an increase that continued to be driven mainly by higher crude oil prices.

No. 2 Distillate Spot Prices by City (Cents per Gallon)

City	Low-Sulfur Distillate					High-Sulfur Distillate				
	06/21/99	06/28/99	07/06/99	07/12/99	07/13/98	06/21/99	06/28/99	07/06/99	07/12/99	07/13/98
New York	45.25	47.94	¹ 51.75	53.30	38.93	43.28	44.77	¹ 48.20	49.98	39.18
Chicago	47.60	47.50	¹ 51.43	53.95	40.45	NA	NA	NA	NA	NA
Houston	43.70	45.44	¹ 49.70	51.50	37.58	41.38	42.64	¹ 46.00	48.30	35.78
Los Angeles (CARB)	61.00	65.75	¹ 67.50	67.00	46.50	NA	NA	NA	NA	NA

Source: Reuters Information Services.

No. 2 Distillate Retail Prices by Petroleum Administration for Defense District (Cents per Gallon, Including Taxes*)

District	On-Highway Diesel Fuel					Residential Heating Oil				
	06/21/99	06/28/99	07/05/99	07/12/99	07/13/98	06/21/99	06/28/99	07/05/99	07/12/99	07/13/98
East Coast (PADD I)	105.8	106.2	108.1	109.4	104.1	<div>Prices Available During Heating Season Only (October through March)</div>				
PADD Ix	111.0	110.7	111.9	114.4	109.7					
PADD Iy	113.5	113.8	115.9	117.4	111.8					
PADD Iz	102.1	102.5	104.4	105.6	100.3					
Midwest (PADD II)	105.2	105.9	107.1	108.3	101.2					
Gulf Coast (PADD III)	103.1	103.8	105.7	107.3	100.9					
Rocky Mountain (PADD IV)	113.7	114.8	116.9	117.5	107.5					
West Coast (PADD V)	130.5	129.9	130.1	130.8	109.2					
California	142.0	139.2	139.9	142.0	115.8					
U.S. Average**	108.2	108.7	110.2	111.4	103.1					

Source: Diesel Fuel prices: Energy Information Administration, Form EIA-888, On-Highway Diesel Price Survey; Residential Heating Oil prices for PADDs I and II: from data supplied by 21 State Energy Offices (SHOPP prices) from October through mid-March.

* Taxes, if any, are not included in residential heating oil prices.

** Residential heating oil average is for PADDs I and II only.

NA =Not Available.

¹ Data for Monday, July 5, 1999 were not available due to the observance of the Independence Day holiday.

For information about distillate spot and diesel fuel retail price data, contact the National Energy Information Center: 202-586-8800; Internet: Infoctr@eia.doe.gov.